

services should include both acute and long-term care, and they should be exclusively reimbursed through a single-payer national insurance plan, with other elective and non-essential services paid out of pocket or through privately purchased insurance. No services covered by the national plan should also be covered by private insurance plans, but the latter could insure services, such as "aesthetic" plastic surgery and private hospital rooms, that would not be covered by the national plan. There should be no billing by providers and no piecemeal payment in the single-payer plan, thus eliminating the huge business costs and the colossal hassle of the present billing and payment systems in multiple public and private insurance plans.

Second, not-for-profit, prepaid multi-specialty groups of physicians should provide all necessary medical care on the approved list of insured services. The physicians in the groups should be paid salaries from a pool of money that would be a defined percentage of the total patient income received by the group from the central payer. The groups should be privately managed but publicly accountable for the quality of their services, and they should be expected to use standardized information technology that could be integrated into a national data system. They should be indemnified against losses due to adverse selection or other costs beyond their control, assisted with start-up and technology expenses, and exempted from anti-trust restrictions. They should compete for patients on the basis of the quality of their services. All groups should be open to all citizens, although the number of members for a given-sized group should be regulated to ensure an appropriate ratio of doctors to patients.

Third, patients should be free to choose their own physician group and to switch membership at specified intervals, but everyone must be included in the national plan and belong to a group—including politicians. (Lawmakers are unlikely to neglect the needs of a health care system that provides care for themselves and their families.)

Physicians should be free to join any group that wanted them and to change their affiliation, but they should not provide services outside the national system that are covered by the latter.

Fourth, all health care facilities (whether privately or publicly owned) that provide services covered by the central insurance plan should be not-for-profit, and should compete on the basis of national quality standards for patients referred by the physicians in the medical practice groups. Facilities should be paid, and monitored for their performance, by the central plan. They should have no financial alliances with the physicians or the management of the medical groups. Teaching facilities should be separately funded by the national plan and be paid for their extra costs, including education. Budgets in all facilities should include salaries for full- and part-time clinicians providing essential services.

Fifth, the health care system should be overseen by a National Health Care Agency, which should be a public-private hybrid resembling the Federal Reserve System. It should be independently responsible for managing its budget and establishing administrative policy, but should report to a congressional oversight committee and to the public. It is essential that the plan be sufficiently independent of congressional and administration management to be protected from political manipulation and annual budgetary struggles. . .

. . . Our present medical care system lacks the structure and incentives to improve the quality of care. A not-for-profit system of salaried physicians, who work together in groups that have no financial incentive to do more or less than is medically appropriate, who compete with other medical groups only on the basis of quality and their attractiveness to patients, and whose results are publicly accountable, could be expected to deliver the kind of health care we need. The quality of care would also be improved by a system of competing not-for-profit facilities that are held to national standards.

As for access and equity, the plan outlined here would guarantee universal coverage for all essential services and would allow employers and individuals to share in the costs through an earmarked and graduated tax. The government would be expected to pay the costs of today's uninsured, as well as the contributions it now makes to government insurance programs. Given the large savings expected in this system, the change in net costs to government should be minimal. . .

. . . A real solution to our crisis will not be found until the public, the medical profession, and the government reject the prevailing delusion that health care is best left to market forces. Kenneth Arrow had it right in 1963 when he said that we need to depend on "non-market" mechanisms to make our health care system work properly. Once it is acknowledged that the market is inherently unable to deliver the kind of health care system we need, we can begin to develop the "nonmarket" arrangements for the system we want. This time the medical profession and the public it is supposed to serve will have to be involved in the effort. It will be difficult, but it will not be impossible.

#### CHINA'S ANTI-SECESSION LAW

#### HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 10, 2005

Mr. HINCHEY. Mr. Speaker, I rise today to bring to my colleagues attention an anti-secession bill that is currently under consideration in The People's Republic of China's National People's Congress Standing Committee. Although the language of the draft of this law has not been made public, many Taiwanese are troubled. They are concerned that if such legislation is passed it may lead to future military action against them if Taipei does not succumb to Beijing's One China principle. This proposal should concern the United States because of our commitment to help preserve a democratic Taiwan.

However, Beijing should be commended for its recent conciliatory gestures that appear aimed at lowering tensions across the Taiwan Strait. These include the first non-stop, cross-strait charter flights between the mainland and Taiwan for the February Lunar New Year holiday and the dispatch of two senior Chinese officials to the funeral of Koo Chen-fu who headed Taiwan's Straits Exchange Foundation. Yet the impending law could prove counterproductive to these actions in several ways.

The proposed law could result in China taking military action against Taiwan if it appears to Beijing that Taiwan is moving toward independence. Most Taiwanese would like to peacefully co-exist with the mainland, if cre-

ative ways to do so can be negotiated between Beijing and Taipei.

The status of hundreds of thousands of Taiwanese living in China could also become uncertain as a result of this legislation. Some have questioned whether this means that statements interpreted as supporting Taiwan could be the legal basis for charges of treason or other criminal actions—a scenario causing deep concern in the Taiwanese business community on the mainland.

Furthermore, the law has received a negative reaction from the citizens of Taiwan and could lead to increasing support for the very independence moves it seeks to deter. This legislation will not encourage negotiations that are needed to attain a peaceful resolution to tensions in the Taiwan Strait.

President Bush clearly stated that the basic tenets of his foreign policy will be the expansion of democracy and freedom across the globe. It is my hope that the Bush Administration will encourage China not to pass the proposed antisecession law.

#### A PROCLAMATION HONORING MR. CLIFF MCKARNS ON HIS 85TH BIRTHDAY

#### HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 10, 2005

Mr. NEY. Mr. Speaker:

Whereas, Cliff McKarns was born on February 19, 1920, and is celebrating his 85th birthday; and

Whereas, Cliff McKarns, a World War II Veteran who is to be commended for his great service to our nation; and

Whereas, Cliff McKarns is a retired farmer and employee of Summitville Tile in Summitville, Ohio; and

Whereas, Cliff McKarns is loved and appreciated by all his family members.

Therefore, I join with the family of Mr. Cliff McKarns and the residents of the entire 18th Congressional District of Ohio in wishing Mr. Cliff McKarns a very happy 85th birthday.

#### HONORING THE CONTRIBUTIONS OF BEXAR COUNTY COMMISSIONER PAUL ELIZONDO

#### HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 10, 2005

Mr. CUELLAR. Mr. Speaker, I rise to recognize Bexar County Commissioner Paul Elizondo for a lifetime of distinguished public service.

Paul Elizondo began public life as a music teacher in the Edgewood and San Antonio public school districts. He was a member of a wide variety of professional organizations, including the National Education Association, the Texas Classroom Teachers Association, and the Music Educators National Conference.

He was first elected to the State House of Representatives in 1978, and served for four